

SO ORDERED. SIGNED this 7th day of June, 2018

THIS ORDER HAS BEEN ENTERED ON THE DOCKET. PLEASE SEE DOCKET FOR ENTRY DATE.

Suzanne H. Bauknight
UNITED STATES BANKRUPTCY JUDGE

## IN THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF TENNESSEE

In re

JASON A. EDINGTON LINDA C. EDINGTON

Case No. 3:18-bk-30299-SHB Chapter 7

## **Debtors**

## ORDER

An evidentiary hearing was held on June 7, 2018, on the Order entered by the Court on May 10, 2018 [Doc. 36], directing Elliott J. Schuchardt to appear and show cause why he should not be held in contempt for violating the Agreed Order Resolving the Order to Show Cause Dated January 9, 2018, entered on February 9, 2018 (the "February 9 Agreed Order"), in seventeen separate cases for which Mr. Schuchardt was counsel of record [Trial Ex. 2]. For the reasons stated by the Court in its memorandum opinion delivered orally from the bench at the close of the evidentiary hearing, the Court directs the following:

1. Mr. Schuchardt is in contempt of the February 9 Agreed Order, including the following provisions:

Mr. Schuchardt shall not undertake new representation or continue to represent any party in any bankruptcy case or proceeding currently pending or to be filed in the Knoxville Division of the United States Bankruptcy Court for the Eastern District of Tennessee during the [six month] Moratorium Period[.]

. . . .

Mr. Schuchardt shall disgorge the fees paid to him, no later than February 12, 2018, by his clients in the following cases:

. . .

c. *In re Jason A. Edington and Linda C. Edington*, Case Number 3:18-bk-30299-SHB

. . .

(collectively, the "New Filed Cases"). Mr. Schuchardt shall not be permitted to continue representation of any of the clients in the New Filed Cases. Further, Mr. Schuchardt shall immediately refer the clients in each of the New Filed Cases to another attorney/attorneys that can assist them with the handling of their respective case. . . .

[Trial Ex. 2 at ¶ 3, 5.] As authorized by 11 U.S.C. § 105, sanctions are appropriate.

- 2. As a sanction for his civil contempt and to encourage him to comply with future orders of this Court, Mr. Schuchardt shall pay \$1,000.00 to the Clerk of the Bankruptcy Court no later than June 22, 2018.
- 3. Failure to comply with paragraph 2 of this Order will result in additional contempt findings and sanctions, including but not limited to, arrest and detention until compliance occurs.
- 4. All provisions of the February 9 Agreed Order are extended by 45 days from August 8, 2018, to September 22, 2018.

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